

that unknown changes in regulations will not leave them responsible for services without compensation. There is an urgent need by the administrators of this program for a greater understanding of the problems faced by private hospitals.

In our opinion, the Kerr-Mills Law in California is being operated in such a manner that it substitutes Federal funds for County funds in the payment for hospital care of the indigent. It is not providing any significant medical service to the independent aged citizens of California which was not previously available. In the interest of the aged citizens of California, we strongly urge that the following recommendations be adopted:

1. That the Department of Social Welfare be ordered to cease and desist from providing medical care with MAA funds for citizens who have been recipients of Old Age Security.

2. That the Rattigan Act be amended to read, "to meet the health needs of aged persons who are not and have not been recipients of Old Age Security."

3. That the Rattigan Act be amended to read that its purpose is "to furnish medical assistance on behalf of *aged individuals* who are not (and have not been) recipients of Old Age Assistance, but whose income and resources are insufficient to meet the costs of necessary medical services."

4. That the requirement that a patient spend a

month in a private hospital before becoming eligible for Kerr-Mills funds be eliminated.

5. That the requirement that a patient in a private hospital pay \$2,000 before becoming eligible for Kerr-Mills funds be eliminated, and that the criterion be the point in the payment for private care at which the individual's income and resources become insufficient to meet the costs of necessary medical services.

6. That the time a private patient spends with his own finances in a private hospital before he becomes eligible for Kerr-Mills assistance, be reduced at least to, or preferably below, the time an indigent spends in a county hospital before the County Treasury becomes eligible for compensation for his care.

7. That the fees paid to private hospitals for MAA patients be at least adequate to meet the costs of providing the services, and that they be no less than the fees paid by other state agencies for the same service.

8. That this program be administered by personnel who are sympathetic with the objectives of the Kerr-Mills Law and indicate a desire to cooperate with and understand the problems of the private hospitals who desire to aid the aged citizens of California under the Kerr-Mills Law.

We appreciate the opportunity of appearing before you.

Government Programs in California For the Disabled

A Report of the Bureau of Research and Planning, California Medical Association

THE INDIVIDUAL in our society and his family are covered by a number of programs providing medical care and subsistence income. These programs vary from those which are based upon criteria of eligibility found in public assistance type programs, to those which are limited to veterans.

Those programs which have an approach often referred to as social insurance are: Social Security Disability Insurance, State Workmen's Compensation Insurance, and Unemployment Compensation Disability Insurance (California). There are a large number of public assistance programs supported by general tax revenues (federal, state, or county) whose benefits are not determined by the individual's contribution, but rather are based upon his basic needs. The latter group includes such programs as: Vocational Rehabilitation, Aid to Needy Disabled, Aid to the Self-Supporting Blind,

A variety of public programs provide or finance the costs of medical care for injured or ill persons in the community.

This report was prepared for the purpose of providing the physician with information on the types of programs in existence and as an aid in counseling patients who may not be fully aware of these programs or benefits provided by them.

Aid to the Blind, Aid to Needy Children, Old Age Security, Medical Assistance for the Aged, General County Relief. In this last group the person and/or family must meet the criteria of need established, generally, by the use of a means test. A third category provides benefits to persons who qualify as veterans of the U.S. Armed Forces.

UNEMPLOYMENT COMPENSATION DISABILITY INSURANCE

A worker who is injured off the job or is suffering from a nonoccupational illness may receive benefits from the State of California Department of Employment as part of the Unemployment Compensation Disability program. These benefits are: (1)

\$12 per day for up to 20 days of hospitalization; (2) Income replacement ranging from a minimum of \$10 a week up to \$75 per week. If the individual is not hospitalized, there is a waiting period of one week before any benefits are granted. This program is supported by the worker, who pays a one per cent tax on his yearly income base of \$4,600. Persons in local, state and federal government positions, and those employed by non-profit organizations (i.e., hospitals or religious organizations, except if such organizations voluntarily elect coverage), and household or domestic workers are not presently covered under this program.

The maximum duration of benefits under this program is six months. Therefore, persons who are expected to be disabled for longer periods may apply for Social Security disability benefits. This may be done in the fourth month of disability; this allows sufficient time for most applications to be processed before termination of unemployment compensation disability benefits at the end of six months, when Social Security disability benefits begin for eligible wage-earners.

DISABILITY INSURANCE AS PART OF OLD AGE AND SURVIVORS INSURANCE

If a worker becomes totally and permanently disabled and is covered under Social Security, i.e., he has earned an income through work covered under the Social Security Act for five out of his last ten-year work periods, he may be eligible for disability benefits. The worker must have a disabling illness or injury that makes him unable to engage in any substantial gainful activity. Benefits may be paid after the illness or injury has lasted for six months, if the condition is long-continued or permanent. The determination of the applicant's disability is made by the State's Vocational Rehabilitation Service. The rulings of the State Vocational Rehabilitation Service are reviewed by the Social Security Administration to maintain consistency and conformity to national policy. The physician in private practice reporting on his patient is only asked to provide objective medical data and is not asked to decide whether the patient is disabled. Disability benefits begin the first month in which all the requirements of the law are met. Monthly disability benefits range from the low of \$40 per month for the single worker with minimum average earnings, up to \$254 per month for the disabled worker (regardless of age) with two or more children and a wife.

Applications for these benefits may be filed at Social Security district offices four months after the onset of the impairment. Usually, six to 12 weeks or more are required to collect necessary data and reach a decision.

WORKMEN'S COMPENSATION

Workers injured in the course of employment or who contract an occupationally connected disease are provided with medical care and a temporary disability income replacement. This insurance coverage is provided by the employer; all medical and ancillary care is provided at no money cost to the injured worker. The worker is entitled to medical care for such an injury or illness for up to five years from the date of the injury, or in some cases where the Industrial Accident Commission makes such a determination, for the life of the worker. A worker is entitled to a maximum of 240 weeks of temporary disability income which can range from \$25 to \$70 per week. After his medical condition becomes stationary and his condition has been rated (degree of disability), a hearing is held to determine the equity of the rated award. It is at this time, after the award has been made, that the worker starts to receive his permanent disability payment. The worker receives four weeks of disability payment for each one per cent of disability rating.

VOCATIONAL REHABILITATION

If a person is 16 years of age or older and a resident of California and is diagnosed as having an abnormal physical or mental condition considered to be a definite vocational handicap, he may apply for Vocational Rehabilitation Service including counseling and training. Generally, the Vocational Rehabilitation Service utilizes the facilities existing in the community, such as local training institutions, privately owned shops, and other places of business and employment. The Rehabilitation Service provides for medical examination, medical treatment, psychological testing, occupational tools and equipment, job placement, and follow-up. In some cases of need, an income supplement may be granted for maintenance purposes, not exceeding \$100 per month. Vocational Rehabilitation Service is not designed to provide emergency assistance, but rather through careful evaluation and planning to equip a handicapped person with a permanent saleable skill within his capacity. This may require from a few months to several years of time.

OLD AGE SECURITY

The Old Age Security program, designed to provide financial assistance to persons 65 years of age or more, is an important part of the Federal Social Security program. The eligibility requirements are based upon age, residency in the State and in the United States and apply to persons who are not institutionalized who are capable of satisfying a

means test. The maximum amount of aid which can be granted to recipients is \$105 per month. Recipients under this program are also eligible for medical care services under the Public Assistance Medical Care program.

MEDICAL ASSISTANCE FOR THE AGED

As part of the Federal Kerr-Mills Act, California inaugurated on January 1, 1962, a Medical Assistance for the Aged program for persons 65 years of age and over. Although there is no residency requirement, there is a test of need which is based upon holdings of real and personal property and the amount of income received. This program covers payment for hospital and nursing home care and includes out-patient services after the eligible person has been discharged from the hospital, or nursing home. Recently this program has undergone revision so that payments will be made before the end of a 30-day period if expenses of \$2,000 or more have been incurred in a private hospital. Payments will be made from the beginning of an illness if the aged person is hospitalized in a county hospital, or transferred to a nursing home from such a hospital, or from the first of the month following confinement in a nursing home.

AID TO NEEDY DISABLED

A person is eligible if he has a major physical or mental impairment of a permanent nature which precludes gainful employment. To be eligible the person must be 18 years or over, meet stipulated residency requirements of the United States and California, not be an inmate of a long-term hospital or penal institution, and meet a means test. The maximum amount of aid that may be granted under this program is \$105 a month.

SERVICES FOR THE BLIND

There are several programs in California providing material support and occupational rehabilitation and the provision of medical care. The Aid to Needy Blind program was created to "relieve blind persons from the stress of poverty, to enlarge the economic opportunities of the blind, and to stimulate the blind to greater efforts in striving to render themselves self-supporting."

To receive benefits through this program, a person must have a physical impairment which is considered to fall under the definition of economic blindness, be at least 16 years of age, either have become blind while in California or have satisfied the stipulated residency requirement in terms of time, and satisfied the conditions of a means test. A maximum

grant of \$110 per month can be made to meet the basic needs of a person eligible under this program.

AID TO THE PARTIALLY SELF-SUPPORTING BLIND RESIDENTS

Under this program the State provides a plan whereby residents of the State who are blind are encouraged to better their economic position so that they may eventually become independent of public assistance and be entirely self-supporting. The eligibility under this program is similar to that of the Aid to Needy Blind program with the following exceptions:

1. The person must have a plan for self-support.
2. A certain amount of income earned under this plan is exempt from consideration in determining the initial eligibility under this program.
3. A person under this program may own an additional \$5,000 of real or personal property if these assets are used and are necessary to implement the plan of self-support.

PROGRAM OF PREVENTION OF BLINDNESS

This program is one in which the State pays the entire cost of specified treatment for applicants or recipients of aid whose vision can be restored. To be eligible under this program, a person's vision must be capable of being improved or restored to a degree above the criteria of economic blindness.

AID TO NEEDY CHILDREN

The primary objective of the Aid to Needy Children program is to provide the necessary financial assistance to keep families together where economic support is not available due to the loss, absence, and in the near future, unemployment of the family bread-winner. Under this program, families are encouraged to keep children in their own homes wherever possible and to insure the best substitute when foster care is necessary. Any child under the age of 18 years who has been deprived of adequate parental support (as defined by the State Social Welfare Board) by reason of death, continued absence from the home or *physical or mental incapacity* of the parent is eligible for assistance, if residency and means test requirements are met. Aside from financial support for the dependent child, and in some cases, the dependent adult, medical care services are provided for the eligible family.

GENERAL RELIEF

A program that provides support in money and in kind to indigent persons in our State is the General Relief program. This program is supported

by county contributions and administered by county boards of supervisors through county Welfare Departments. Neither State nor Federal dollars directly enter into the monies expended for the support of the indigent within respective counties, since the program provides public assistance to indigent persons ineligible under state programs. The eligibility requirements and basic procedures are determined individually in each county. Eligible families may be provided with housing, clothing, care of persons, and food allowances, and medical care at county hospitals or clinics.

VETERANS ADMINISTRATION (Non-Service Connected Illness or Injury)

Persons who have served 90 days of active duty during wartime may be eligible to receive disability pension payments from the Veterans Administration. In order to receive such disability payments, the person must be totally and permanently disabled before he reaches the age of 55, or 60 per cent disabled between the ages of 55 and 60, or 50 per cent disabled between the ages of 60 and 65, or 10 per cent disabled after the age of 65. The person must have had this disability for not less than six calendar months before being considered eligible to receive such disability pension benefits. The range of disability pension benefits is \$40 to \$85 a month for the single veteran and \$45 to \$105 per month for the married veteran.

CRIPPLED CHILDREN'S SERVICES PROGRAM

The program of Crippled Children's Services was developed for handicapped children under the age of 21 with particular physical defects stemming from accident, or faulty development, from congenital anomalies or acquired through disease. The services provided for those whose physical defects are disabling and could be either corrected or arrested, fall into the following categories: (a) defects of an orthopedic nature; (b) defects requiring plastic reconstruction; (c) defects requiring orthodontic reconstruction; (d) eye conditions leading to a loss of sight; (e) ear conditions leading to a loss of hearing; (f) rheumatic or congenital heart disease; (g) and other disabling or disfiguring deformities.

The State Department of Public Health administers the program on the State level, while the county health or welfare department administers the program locally. The pattern of the program's operation depends upon the size of the local case load. Within the particular counties which have neither the staff nor facilities available locally, the State Department of Public Health has a more direct role in the implementation of the program.

Eligibility to receive services under this program is determined first on the basis of medical need under guidelines established by the State Department of Public Health, and then financial eligibility determined by the county, based upon suggested State criteria. The financial responsibility may involve part payment or no payment on the part of the responsible parent or parents.

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Hospital and Insurance Coverage for the Elderly

A STUDY AT LONG BEACH COMMUNITY HOSPITAL FOR PATIENTS OVER THE AGE OF 60

*A Report of the Bureau of Research and
Planning, California Medical Association*

A PILOT STUDY of the characteristics of a hospitalized aged population (60 years and over) for a three-month period (January 1, 1963 to March 31, 1963) was conducted at the Long Beach (California) Community Hospital. This project reviewed a number of aspects of the economic problem of the aged in meeting the cost of hospitalization, in cases with and without insurance, covering a large variety of medical diagnoses. Almost 27 per cent of the persons in the study group were under 65 years of age. Of the remaining percentage, the largest number of persons were to be found in the 70 through 74 year age group. The smallest number of those hospitalized were those to be found in the 85 and over group. However, these data should be reviewed with the population distribution of the community in mind. Thus the smaller number of those 85 and over possibly indicates the smaller number of persons and the proportion of such persons in the aged community. (See Table 1.)

Some general overall characteristics of the population studied indicate that the larger proportion was female (58.3%). By far the largest per cent (69.4%) came from the immediate Long Beach area. The general classification of condition at the time of discharge is limited to either a (1) living or (2) deceased status. Based on the collected data, 89.1 per cent of persons treated within this age group were living on discharge, while the remainder fell into the deceased category. (See Table 2.)

As with other age groups in a general hospital the largest number of cases had comparatively short stays. Of all the cases, 164 or almost 34 per cent stayed less than five days, whereas 324, or 67 per cent, stayed less than ten days. The data do not

Source: Unpublished Data, Long Beach Community Hospital, Walter Oliver, Administrator.